

CHAPTER NO. 1027

HOUSE BILL NO. 2854

By Representative Arriola

Substituted for: Senate Bill No. 2791

By Senator Burks

AN ACT to amend Tennessee Code Annotated, Title 55, Chapter 16, Part 1 and Title 66, Chapter 19, Part 1, relative to garagekeepers and towing firms.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 66-19-103(a), is amended by deleting the last sentence in its entirety, by designating the existing language of the subsection as subdivision (1) and by adding the following language at the end of the new subdivision (1):

If the motor vehicle, including any associated rental equipment, clearly identifies the rental company and a garagekeeper or towing firm lawfully comes into possession of the vehicle and any associated equipment, then the garagekeeper or towing firm shall notify the rental company at the address identified on the vehicle or associated equipment within three (3) working days of taking possession of such vehicle or equipment by registered mail return receipt requested.

SECTION 2. Tennessee Code Annotated, Section 66-19-103(a), is amended by adding the following as new subdivisions (2), (3) and (4):

(2) The Commissioner of Commerce and Insurance or the commissioner's designee shall notify the Commissioner of Safety of violations of subdivision (1). Upon receiving such notice, the Commissioner of Safety shall suspend any contract that the State may have for towing services with the garagekeeper or towing firm for a period of sixty (60) days or notify the appropriate authority to suspend all such contracts with the State.

(3) In addition to any other penalty provided for violation of this section, a violation of subdivision (a)(1) shall also be a violation of Title 47, Chapter 18, Part 1, and the rental company may seek relief under such statute.

(4) A garagekeeper or towing firm may not collect any storage or related fees for any period of time in which the garagekeeper or towing firm was in violation of subdivision (1) with respect to a motor vehicle or associated equipment.

SECTION 3. The Commissioner of Commerce and Insurance is authorized to promulgate rules and regulations to effectuate the purposes of this act in accordance with the provisions of Tennessee Code Annotated, Title 4, Chapter 5.

SECTION 4. Tennessee Code Annotated, Title 55, Chapter 16, Part 1, is amended by adding the following as a new section to be appropriately designated:

Section _____. Notwithstanding any other provision of this part or of Title 66, Chapter 19, Part 1, in order for a garagekeeper or a towing firm to tow or to

store a vehicle the garagekeeper or towing firm shall obtain an express written authorization for towing and storage of each vehicle from a law enforcement officer with appropriate jurisdiction, or from the owner of the vehicle, or from the owner of the private property from which the vehicle is to be towed. Such authorization shall include all of the information required by Section 66-19-103(d). In addition to any other penalty provided by this part or by Title 66, Chapter 19, Part 1, violation of the provisions of this section is a Class C misdemeanor.

SECTION 5. The provisions of this act shall not apply to new or used motor vehicle dealers licensed under Tennessee Code Annotated, Section 55-17-101, et seq.


SECTION 6. This act shall take effect September 1, 1998, the public welfare requiring it.

PASSED: April 29, 1998


JIMMY RAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES


JOHN S. WILDER
SPEAKER OF THE SENATE

APPROVED this 18th day of May 1998


DON SUNDQUIST, GOVERNOR